



November 18, 2016

Mr. Jason Simpson, Director of Administrative Services
City of Lake Elsinore
130 South Main Street
Lake Elsinore, CA 92530

Dear Mr. Simpson:

Subject: Amended Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1) (E), the City of Lake Elsinore Successor Agency (Agency) submitted an Amended Recognized Obligation Payment Schedule for the period January 1, 2017 through June 30, 2017 (ROPS 16-17B) to the California Department of Finance (Finance) on October 3, 2016. Finance has completed its review of the Amended ROPS 16-17B.

Based on our review and application of the law, Finance has made the following determinations:

- Item No. 13 – Summerly Disposition and Development Agreement (DDA) Extraordinary Infrastructure Fund in the amount of \$45,000 is not allowed. It is our understanding the Agency requested \$45,000 in Reserve Balance funding in error and intended to request an adjustment for Item No. 12. Therefore, the requested amount of \$45,000 in Reserve Balance funding has been reduced to zero.
- Item No. 12 – Summerly DDA in the amount of \$15,000. As noted in the bullet above, based on discussion with the Agency and review of supporting documents, Finance is increasing the requested Reserve Balance funding adjustment from zero to \$15,000. The authorized total amount for the Amended ROPS 16-17B period is \$75,000, consisting of \$15,000 in Reserve Balance and \$60,000 in Redevelopment Property Tax Trust Fund (RPTTF) funding.

Except for the adjustments above, Finance is not objecting to the remaining adjustments, totaling \$1,438,774 in RPTTF listed on your Amended ROPS 16-17B.

The Agency's amended maximum approved RPTTF distribution for the ROPS 16-17B period is \$5,971,518 as summarized in the Approved RPTTF Distribution table on Page 3 (See Attachment).

Please refer to the ROPS 16-17B schedule used to calculate the total RPTTF approved for distribution:

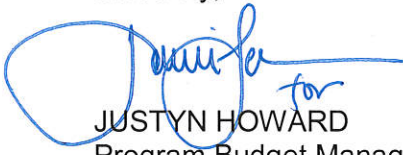
<http://www.dof.ca.gov/redevelopment/ROPS>

This is Finance's determination related to the funding of enforceable obligations reported on your Amended ROPS 16-17B. Please note there is not a Meet and Confer option for the Amended ROPS process so Finance's determination is final. Finance's determination is effective for this time period only and should not be conclusively relied upon for future ROPS periods. All items listed on a future ROPS are subject to review and may be denied even if it was not denied on this Amended ROPS or a preceding ROPS. The only exception is for items that have received a Final and Conclusive determination from Finance pursuant to HSC section 34177.5 (i). Finance's review of Final and Conclusive items is limited to confirming the scheduled payments as required by the obligation.

The amount available from the RPTTF is the same as the amount of property tax increment available prior to the enactment of the redevelopment dissolution statutes. Therefore, as a practical matter, the ability to fund the items on the ROPS with property tax is limited to the amount of funding available to the Agency in the RPTTF.

Please direct inquiries to Cindie Lor, Supervisor, or Jeremy Bunting, Lead Analyst, at (916) 445-1546.

Sincerely,



JUSTYN HOWARD
Program Budget Manager

cc: Mr. Grant Yates, Executive Director, City of Lake Elsinore
Ms. Pam Elias, Chief Accountant Property Tax Division, Riverside County

Attachment

Approved RPTTF Distribution	
For the period of January 2017 through June 2017	
Authorized RPTTF on ROPS 16-17B	\$ 4,421,101
Authorized Administrative RPTTF on ROPS 16-17B	111,643
Total Authorized RPTTF on ROPS 16-17B	4,532,744
Authorized 16-17B RPTTF Adjustments	1,438,774
Total Amended ROPS 16-17B RPTTF approved for distribution	\$ 5,971,518